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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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TOM FORESE - Chairman
BOB BURNS
DOUG LITTLE
ANDY TOBIN
BOYD W. DUNN

JAN - 9 2017

DOCKETED BY

Docket No. E-01345A-16-0036

E-01345A-16-0123

**EXPEDITED MOTION TO
STRIKE AND FOR
PROCEDURAL ORDER**

IN THE MATTER OF THE APPLICATION OF
ARIZONA PUBLIC SERVICE COMPANY FOR
A HEARING TO DETERMINE THE FAIR
VALUE OF THE UTILITY PROPERTY OF THE
COMPANY FOR RATEMAKING PURPOSES,
TO FIX A JUST AND REASONABLE RATE OF
RETURN THEREON, TO APPROVE RATE
SCHEDULES DESIGNED TO DEVELOP SUCH
RETURN.

Vote Solar hereby moves the Commission, through the Administrative Law Judge
("ALJ"), to implement the procedures and deadlines to implement the requirements of Decision
No. 75859 at 155:12-16, 177-181, *In re Value and Cost of Distributed Generation*.¹

Additionally, because Vote Solar's testimony is due on January 27, 2017, and the scope of that
testimony depends on the ALJ's decision on this Motion, Vote Solar respectfully requests that
this Motion be expedited.

Specifically, Vote Solar respectfully requests that the ALJ:

1. Strike the Supplemental Testimony of Jeffrey Burke and Charles Miessner filed on
December 30, 2016, which addresses the export rate for distributed generation prior to a

¹ Decision No. 75859 states that for rate cases such as this one, which has been set "for hearing but . . . not yet heard" the evidentiary proceeding regarding the value of distributed generation export rates will be "incorporated into the existing proceeding in a matter to be determined by the ALJ." Decision No. 75859 155:14-16; *see also id.* at 152:23-25; *id.* at 172:13-15 ("For currently pending electric utility rate cases, the utility shall provide the underlying data of the utility that the Resource Comparison Proxy methodology relies upon to Staff pursuant to a procedural order to be issued in those rate cases."); *id.* at 173, 177:9-11 ("IT IS FURTHER ORDERED that: (i) for currently pending electric utility rate cases, the utility shall provide the underlying data of the utility that the Resource Comparison Proxy methodology relies upon to Staff pursuant to a procedural order to be issued in those rate cases . . ."); *id.* at 178:2-4

1 determination by Staff, as premature and with leave to refile at the appropriate time, after Staff
2 undertakes its prerequisite analysis.

3 2. Set a schedule for testimony related to the value and cost of distributed generation in
4 this matter, as contemplated by Decision No. 75859, page 155 lines 12-16, as follows:

5 (a) Arizona Public Service shall **immediately** provide to Staff all data required by
6 Decision No. 75859 at 153, including, but not limited to, the utility's projects and
7 PPA with in-service dates within the five years up to and including the test year²,
8 avoided transmission, avoided distribution capacity, and avoided line losses. *See id.* at
9 152:13-17, 153:19-21, 170:25-171:1, and 172:6-9 (requiring the Resource
10 Comparison Proxy ("RCP") to include avoided transmission, distribution capacity,
11 and line losses).

12 (b) On **February 17, 2017**, Staff shall file testimony containing its proposed RCP
13 Methodology, with the supporting analysis, assumptions and inputs, and electronic
14 spreadsheets with links. Decision 75859 at 154:26-155:12, 173:17-25.

15 (c) On **March 17, 2017**, APS and Intervenors shall file any testimony responsive to
16 Staff's proposed RCP Methodology.³

17 3. Expedite consideration of this Motion and enter the appropriate order no later than
18 Friday, January 13, 2017, to allow Vote Solar and other parties notice of the scope of testimony
19 due January 27, 2017, sufficiently in advance to allow adequate time to prepare that testimony.
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24 ("for currently pending electric utility rate cases, the Hearing Division shall promptly issue any necessary Procedural
25 Orders regarding the incorporation of the Resource Comparison Proxy methodology into the existing proceedings.").

26 ² Some of this information is already contained in the workpapers provided by APS in support of the premature
"Supplemental" testimony of Messrs. Burke and Miessner.

³ This data corresponds with existing filing deadlines and is consistent with Staff's recommendation in Docket No. E-
00000J-14-0023 that parties have 30 to 45 days to develop their positions. *See, e.g.*, Decision No. 75859 at 138:14.

1 This schedule is consistent with the Commission's direction in Decision 75859 while
2 maintaining the current hearing dates. Vote Solar also requests that the ALJ consider adding a
3 round of responsive testimony after March 17, 2017, in which Staff and the parties can address
4 other parties' positions provided in the March 17, 2017, testimony. However, to provide
5 sufficient time for this additional round of testimony the ALJ would also need to move the
6 hearing dates.
7

8 **ARGUMENT**

9 The Commission's Decision No. 75859 established a methodology to set export rates for
10 distributed generation in pending cases, as well as a process for setting those rates. For pending
11 rate cases, the Commission ordered that the RCP methodology be used. Decision No. 75859 at
12 148:12-15. The RCP methodology requires that the Company provide underlying data Staff
13 will use to develop a proxy for rooftop solar generation. Thereafter, Staff will make the first
14 calculations of the applicable rate and make its assumptions and inputs of its analysis available
15 to interested parties. Decision No. 75859 at 153:12-14 ("For the Resource Comparison Proxy
16 Methodology . . . Staff shall use the spreadsheet described in this Decision to develop a proxy
17 for rooftop solar generation . . ."), 155:3-5 (requiring Staff to "Perform the analysis"), 171:28-
18 172:2 ("For the Resource Comparison Proxy Methodology with a Five Year Rolling Average . .
19 . Staff shall use the spreadsheet described in this Decision to develop a proxy for rooftop solar
20 generation . . ."), 172:5-6 (" . . . Staff shall use pricing data from available industry source for
21 grid-scale solar PV . . ."), 173:17-19 (" . . . Staff shall: 1) Perform the analysis; 2) Make all
22 assumptions and inputs of its analysis publicly available . . ."), 177:27-28;178:1 ("Staff shall
23 follow the procedural requirements set forth herein regarding use of the methodologies for
24 calculating the value of DG exports set forth and described herein for use in electric utility rate
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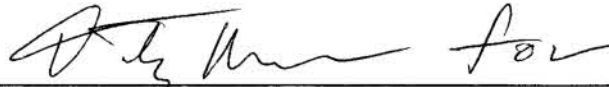
1 cases before the Commission.”). This procedure—starting with Staff conducting the required
2 analysis and calculations followed by input from all other parties—ensures consistency in
3 methodology, assumptions, and calculations between utilities as well as ensuring that the
4 models used are transparent, accessible, and flexible.

5 APS’s “Supplemental” testimony filed on December 30, 2016, advocates for an export
6 rate prior to any analysis by Staff and before Staff makes all assumptions and inputs available to
7 others, contrary to the procedure set forth in Decision 75859. *See* Suppl. Dir. Test. of Jeffrey
8 M. Burke; Suppl. Dir. Test. of Charles A. Miessner (Dec. 30, 2016). It also precedes any
9 determination by the ALJ about the manner in which to incorporate the export rate issue,
10 contrary to the Commission’s direction.

11 APS’s “Supplemental” testimony filing prejudices Vote Solar and other parties because
12 Staff and Intervenor testimony is due on January 27, 2017, and unless the ALJ strikes the
13 “Supplemental” testimony, Staff and Intervenors must respond or risk potential waiver. If Vote
14 Solar must respond on January 27th, however, it would have to do so without the benefit of
15 Staff’s analysis and without Staff’s assumptions and inputs, as required by the Commission’s
16 procedure. Decision No. 75859 at 153. Moreover, because later rounds of testimony must be
17 limited to the prior round (i.e., Surrebuttal responds to Rebuttal), and as a practical matter, Staff
18 and Intervenors will necessarily need to respond to APS’s proposals or risk allegations of
19 waiver, APS’s “Supplemental” testimony will frame the issue for hearing rather than Staff’s
20 original analysis framing the issue as the Commission ordered.

21 For these reasons, Vote Solar respectfully requests that the ALJ strike APS’s December
22 30, 2016, “Supplemental” testimony without prejudice and adopt an order setting forth the
23 deadlines above to implement the Commission’s Decision No. 75859 in this case.

1 RESPECTFULLY SUBMITTED this 9th day of January, 2017.

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CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of January, 2017, the foregoing document was filed with the Arizona Corporation Commission, and copies of the foregoing were mailed on behalf of Vote Solar to the following who have not consented to email service. For those who consented to electronic mail service, the foregoing document was electronically mailed to them on this date.

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